

**Demand Response/Energy Efficiency Working Group
Meeting Minutes
April 6, 2005**

Panel One

1) General Overview of Energy Efficiency Programs

Alicia Ward, Midwest Energy Efficiency Alliance

- i) Midwest Energy Efficiency Alliance (“MEEA”) is a collaborative network whose purpose is to advance energy efficiency in the Midwest in order to support sustainable economic development and environmental preservation.
- ii) There are many benefits of energy efficiency for Illinois.
- iii) There are many programs for the Residential, Commercial and Industrial sectors.

b) Questions-

- i) Could you make a general comment about utility administered programs vs. third party administered programs.
 - 1) MEEA does not take a position if there should be a third party administrator. The administration of funds should go into a place where the funds can be safe.

2) Energy Efficiency Service Companies

Norm Campbell, Energy Systems Group

- i) ESCOs are businesses that develop, install and finance projects designed to improve the energy efficiency and maintenance costs for facilities over a period of time.
- ii) ESCOs also deploy new and effective energy technology which build long term client projects and relationships.
- iii) ESCOs have been active in Illinois for many years.
 - 1) There are a number of successful projects that have resulted from partnerships between ESCOs and private and public entities.

b) Questions-

- i) Could you give an estimate of paybacks for the projects?
 - 1) To give some examples, on the Fairfield Community High School District the savings over the contract life are about \$8.5-9 million (the net present value/net benefits at the end of the period of time of the contract). On the Northern Illinois University contract the savings will range from \$25-30 million.
- ii) If incentive is based on annual mega watt hours-can you design a program to meet such goals?
 - 1) Yes.

3) Energy Efficiency Programs in Iowa

Dick Walker, Energy Efficiency Product Management for MidAmerican Energy Co.

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Sustainable Energy Plan Initiative

- i) Iowa has mandated energy efficiency efforts for investor-owned utilities which the Iowa Utilities Board oversees.
 - ii) MidAmerican Energy Company (“MEC”) recovers its costs for these programs through rates.
 - iii) MEC’s energy efficiency activities delay the need for constructing new power plants, provide value-opportunities for ratepayers and help protect the environment.
 - iv) MEC currently has numerous projects.
- b) Questions-
- i) What is the incremental costs on a home?
 - 1) It depends on what type of home. For instance, a builder of a custom home would receive about a \$2000 rebate.
 - ii) Do you find the lowest per mega watt bid?
 - 1) No, that is just one factor.
 - iii) Have you evaluated efficiency bids yet?
 - 1) No, however, we plan to later this year.
 - iv) Regarding MEC’s summer saver program, what is the total number of residential households participating in the program?
 - 1) About 500,000.
 - v) Regarding MEC’s low income program, in terms of multi-units, who are the owners?
 - 1) Some are publicly owned while others are privately owned, with the privately owned multi-unit buildings it is harder to get the owners to participate in the programs and “do their fair share”.
 - vi) Regarding MEC’s industrial programs, last year you indicated you had fifteen projects, could you give the dollar amount that was granted for these projects last year.
 - 1) One million dollars was granted for these projects last year.
 - vii) On residential load control programs, how did you solicit customers and what has been the customers’ response?
 - 1) MEC has gone from community to community, based on the size of the community, with the goal of trying to bring in 2000 new customers per year. The customers, who are targeted by usage, are solicited by a letter.
 - 2) The customer response has been very positive.
 - viii) Do you get to “bank” your incentives when you exceed all of your goals and programs?
 - 1) No.

Panel Two

1) Residential Real Time Pricing

Anthony Star, Center for Neighborhood Technology

- i) Community Energy Cooperative (“CEC”) Demand Response Programs and the benefits or price responsive behavior.

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Sustainable Energy Plan Initiative

- ii) The CEC administered the Energy-Smart Plan—a three year pilot program provided through a partnership with Commonwealth Edison.
 - iii) This program showed that participants reduced electricity consumption during high-priced periods.
 - iv) In addition to saving money and reducing peak demand, the program resulted in increased investments in energy efficiency and a better understanding of the impacts of energy usage.
- b) Questions-
- i) Are any of the practice/activities automated?
 - 1) No.
 - ii) What reasons did you get for why persons did not want to join the program?
 - 1) Some persons indicated that the program required a lot of forms to be filled out in order to participate, therefore, such persons declined to participate.
 - iii) Can anyone still sign up to participate in the program?
 - 1) No. The billing cycles end in April.
- 2) Lighting Retrofit
- Craig Sieben, Sieben Energy Associates
- i) Introduced various lighting technology and retrofits.
 - ii) Numerous forms of energy management services can provide end-users with energy-related savings.
- b) Questions-
- i) Old lighting is still very prevalent—especially in leased properties, have you found a way to break through that?
 - 1) Management companies are putting new lighting into such buildings, however, there are still market barriers. There is a lot of untapped potential, yet, it is hard to tap into because most of the major companies have already done it.
- 3) Illinois Industrial Energy Efficiency Programs for Electric Demand Reduction
- David Eslinger, Senior Research Engineer, Energy Resource Center, University of Illinois at Chicago
- i) ERC conducts interdisciplinary technology, research and education initiatives to improve energy efficiency in Illinois.
 - ii) Energy savings opportunities exist in chemical, pulp and paper and metal die casting industries.
 - iii) There are various industrial programs in Illinois, City of Chicago and at the federal level.